

**Petition for Judicial Action Indemnity
per Violation United States Codes
Title 18 Section §3771 Crime Victim
Rights and Title 18 Section §3663
Order of Restitution**

VS

**U.S. Department of Justice
Attorney's Office SDNY
Southern District of New York
Manhattan Federal Court**



**Violation of the Right or Benefit of the
U.S. Federal Constitution for Victim**

PETITION FOR JUDICIAL ACTION INDEMNITY

The “**Victim**” is: **Domingos Lugão Petroceli**, Brasileiro, RG 0123457699, CPF 091559867-14, residente na Rua das Aninhas – Casa 616 – Jardim da Paz – Guia de Pacobaíba – Magé – Rio de Janeiro – Brazil, postal Code 25926726, e-mail dlpfxcapital@gmail.com, mobile phone +5521982920403.

The “**Defendant**” is: **U.S. Department of Justice Attorney’s Office SDNY Southern District of New York Manhattan Federal Court (Case number 1:2013-CR-368 (DLC) - Judge Honorable Denise Cote)**, address One St. Andrews Plaza - New York, NY 10007 - 500 Pearl St, New York, NY 10007, U.S.A..

THE FACTS U.S. COURT SDNY VIOLATION U.S. CODE

Year 2012 and 2013 - I victim of financial crime and financial fraud decided to ask for help with E-wallet **Liberty Reserve S.A. Global Digital Currency Business** (www.libertyreserve.com) to the FBI by web sites <http://tips.fbi.gov> and <http://www.ic3.gov>. I reported that i was duped by fraudulent investment projects "scammers" and had a financial damage of **-US\$400.00 USD**, i completed the complaint and i was waiting for the FBI to recover the money and that did not happen.

I was waiting for the criminal investigation (Case number 1:2013-CR-368) to help me recover my money during 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020 and 3 months of 2021 and it didn't happen. I was not notified by the U.S. Department of Justice SDNY of Manhattan with a financial damage remedy and a small indemnity ordering these Criminals to pay me in cash.

It is important to warn that i was primarily responsible for this criminal Investigation, i am primarily responsible for reporting these financial crimes and especially the great Obstruction of justice of the company's founder, which does not allow security in the funds with refund of the financial damage.

I realized that the Liberty Reserve, FBI and U.S. Department of Justice Attorney's Office SDNY Southern District of New York Manhattan violated the Client Rights, not restoring my financial damage, ignoring the payment and violating Law Criminal the "United States Code 18 USC section §241 Conspiracy Against Rights" in Criminal Investigation during 7 years.

"I come to complain about the irresponsibility and Intentional Discrimination of the FBI, Federal Attorney's at this U.S. Department of Justice Attorney's Office SDNY Southern District of New York Manhattan on my financial problem or loss violating the "United States Code title 18 section §3771 Crime Victims Rights":

(a) Rights of Crime Victims - A crime victim has the following rights:

(2) The right to reasonable, accurate, and timely notice of any public court proceeding, or any parole proceeding, involving the crime or of any release or escape of the accused.

(3) The right not to be excluded from any such public court proceeding, unless the court, after receiving clear and convincing evidence, determines that testimony by the victim would be materially altered if the victim heard other testimony at that proceeding.

(4) The right to be reasonably heard at any public proceeding in the district court involving release, plea, sentencing, or any parole proceeding.

(5) The reasonable right to confer with the attorney for the Government in the case.

(6) The right to full and timely restitution as provided in law.

(7) The right to proceedings free from unreasonable delay.

(8) The right to be treated with fairness and with respect for the victim's dignity and privacy.

(9) The right to be informed in a timely manner of any plea bargain or deferred prosecution agreement.

(10) The right to be informed of the rights under this section and the services described in section 503(c) of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. 10607(c)) 1 and provided contact information for the Office of the Victims' Rights Ombudsman of the Department of Justice.

(b) Rights Afforded.-

(1) In general.-In any court proceeding involving an offense against a crime victim, the court shall ensure that the crime victim is afforded the rights described in subsection (a). Before making a determination described in subsection (a)(3), the court shall make every effort to permit the fullest attendance possible by the victim and shall consider reasonable alternatives to the exclusion of the victim from the criminal proceeding. The reasons for any decision denying relief under this chapter shall be clearly stated on the record.

U.S. Department of Justice Attorney's Office SDNY Southern District of New York Manhattan on my financial problem or loss violating the "United States Code title 18 section §3663 Order of Restitution for Victim of Financial Fraud":

Notwithstanding section 3663 or 3663A, and in addition to any other civil or criminal penalty authorized by law, the court shall order restitution for any offense under this chapter. The order of restitution under this section shall direct the defendant to pay the victim (through the appropriate court

mechanism) the full amount of the victim's losses as determined by the court.

The issuance of a restitution order under this section is mandatory.

(B)A court may not decline to issue an order under this section because of—

(i)the economic circumstances of the defendant; or

(ii)the fact that a victim has, or is entitled to, receive compensation for his or her damages from the proceeds of insurance or any other source.

"Liberty Reserve Founder Arthur Budovsky (Case number 1:2013-CR-368 (DLC)) Sentenced in Manhattan Federal Court to 20 Years for Laundering Hundreds of Millions of Dollars Through his Global Digital Currency Business"

Preet Bharara, the United States Attorney for the Southern District of New York, and Leslie R. Caldwell, Assistant Attorney General for the Justice Department's Criminal Division, announced that ARTHUR BUDOVSKY, 42, was sentenced today in Manhattan federal court to 20 years in prison for running a massive money laundering enterprise through his company Liberty Reserve, a virtual currency once used by cybercriminals around the world to launder the proceeds of their illegal activity. BUDOVSKY was arrested in Spain in May 2013 and was extradited to the United States in October 2014. BUDOVSKY pled guilty to one count of conspiring to commit money laundering on January 29, 2016, three days before his trial was scheduled to begin. U.S. District Judge Denise L. Cote imposed today's sentence, noting that the defendant did not express any "genuine remorse," and that his crimes caused "widespread harm" and led to "countless victims of fraud around the world."

Manhattan U.S. Attorney Preet Bharara stated: "Liberty Reserve founder Arthur Budovsky ran a digital currency empire built expressly to facilitate money laundering on a massive scale for criminals around the globe. Despite all his efforts to evade prosecution, including taking his

operations offshore and renouncing his citizenship, Budovsky has now been held to account for his brazen violations of U.S. criminal laws.”

Assistant Attorney General Leslie R. Caldwell stated: “The significant sentence handed down today shows that money laundering through the use of virtual currencies is still money laundering, and that online crime is still crime. Together with our American and international law enforcement partners, we will protect the public even when criminals use modern technology to break the law.”

According to the allegations contained in the Indictment filed against Liberty Reserve, BUDOVSKY, and six other individual defendants; BUDOVSKY’s plea agreement; the evidence filed with the sentencing submissions for BUDOVSKY; and statements made in related court filings and proceedings:

Liberty Reserve S.A. (“Liberty Reserve”) billed itself as the Internet’s “largest payment processor and money transfer system” and operated one of the world’s largest and most widely used digital currencies, which could be used to send and receive payments, via the Internet, to and from people all over the world. At all relevant times, BUDOVSKY directed and supervised Liberty Reserve’s operations, finances, and business strategy.

Liberty Reserve was originally conceived by BUDOVSKY and co-defendant Vladimir Kats in Brooklyn, New York, in approximately 2001, and became operational in late 2005. From his previous experience with “GoldAge” – a digital currency exchange business that he ran with Kats – BUDOVSKY was aware that a substantial volume of digital currency transactions were related to Internet investment schemes called high-yield investment programs (“HYIPs”), which he knew to be online Ponzi schemes. BUDOVSKY was also aware that digital currencies were used by other online criminals, such as credit card traffickers and identity thieves.

BUDOVSKY designed Liberty Reserve specifically to appeal to these online criminals in order to capture their business. Among other things,

BUDOVSKY set up Liberty Reserve to have weak anti-money laundering (“AML”) controls and allowed users to move money anonymously through Liberty Reserve’s system, regardless of the volume or provenance of the funds. BUDOVSKY also marketed Liberty Reserve specifically to HYIP operators and other criminal clientele.

In May 2006, BUDOVSKY and Kats were arrested and later pled guilty to operating GoldAge as an unlicensed money transmitting business. Following their arrests, over the next two years, BUDOVSKY and Kats moved Liberty Reserve’s operations offshore to Costa Rica in an attempt to insulate themselves from the reach of U.S. law enforcement. BUDOVSKY was so committed to evading U.S. law enforcement that he later renounced his U.S. citizenship and became a Costa Rican citizen. In May 2008, BUDOVSKY pushed Kats out of Liberty Reserve and became the sole beneficial owner and principal operator of the company, with final decision-making authority over company decisions. BUDOVSKY maintained this role until Liberty Reserve was shut down in May 2013.

During the time period from 2009 to 2013, Liberty Reserve reached the height of its activity. At its peak in late 2012, Liberty Reserve handled a transactional volume of over \$300 million per month, a significant portion of which came from users in the United States. BUDOVSKY knew that a substantial number of these transactions were connected to HYIPs and other online criminal activities, and continued to operate Liberty Reserve to cater to these customers. Among other things, BUDOVSKY and his co-conspirators intentionally failed to implement effective AML controls at Liberty Reserve. BUDOVSKY and his co-conspirators also took steps to prevent the Costa Rican regulatory authorities and Liberty Reserve’s own compliance officials from discovering the criminal transactions flowing through Liberty Reserve.

Liberty Reserve ultimately grew into a financial hub for cybercriminals around the world who used it to amass, distribute, store, and launder criminal proceeds derived from HYIPs, credit card trafficking, stolen identity information, and computer hacking. By May 2013, when it was shut down as a result of the Government’s criminal investigation, Liberty

Reserve had more than 5.5 million user accounts worldwide, and had processed more than 78 million financial transactions with a combined value of more than \$8 billion. United States users accounted for the largest segment of Liberty Reserve's total transactional volume – between \$1 billion and \$1.8 billion – and the largest number of user accounts – over 600,000. As part of his plea agreement, BUDOVSKY admitted to laundering between \$250 million and \$550 million in criminal proceeds linked to Liberty Reserve accounts based in the United States.

Two co-defendants – Mark Marmilev and Maxim Chukharev – pled guilty and have been sentenced to five and three years in prison, respectively. Two other co-defendants – Vladimir Kats and Azzeddine El Amine – are currently scheduled to be sentenced before U.S. District Judge Denise L. Cote on May 13, 2016. Charges against Liberty Reserve and two individual defendants who have not been apprehended remain pending.

Mr. Bharara praised the outstanding work of the United States Secret Service, the Internal Revenue Service-Criminal Investigation, and the U.S. Immigration and Customs Enforcement's Homeland Security Investigations, which worked together in this case as part of the Global Illicit Financial Team. Mr. Bharara also thanked the United States Secret Service's New York Electronic Crimes Task Force for its extraordinary assistance with the investigation. Additionally, Mr. Bharara specially thanked all the international law enforcement agencies that assisted in the investigation, in particular, the Judicial Investigation Organization in Costa Rica, Interpol, the National High Tech Crime Unit in the Netherlands, the Spanish National Police-Financial and Economic Crime Unit, the Cyber Crime Unit at the Swedish National Bureau of Investigation, and the Swiss Federal Prosecutor's Office.

This case is being prosecuted jointly with the Department of Justice's Asset Forfeiture and Money Laundering Section ("AFMLS"), which is overseen by Assistant Attorney General Leslie R. Caldwell. Mr. Bharara thanked AFMLS for its partnership and also thanked the Department of Justice's Office of International Affairs and Computer Crime and Intellectual Property Section for their support.

The prosecution of this case is being handled by the Office's Complex Frauds and Cybercrime Unit and Money Laundering and Asset Forfeiture Unit. Assistant United States Attorneys Christian Everdell, Christine Magdo, and Andrew Goldstein of the Southern District of New York and Trial Attorney Kevin Mosley of AFMLS are in charge of the prosecution.

THE UNITED STATES CODE CIVIL RIGHTS

Unfortunately i was not respected, i was ignored for 7 years, the procedures adopted by the judiciary violated my rights, i need to receive the refund of the financial damage with indemnity multiplying 7 years of delay.

I ask for a compensatory sentence for **"Error, Intentional Discrimination, Disrespect, Violation of the Right or Benefit of the U.S. Federal Constitution for Victim and Violation of United States Codes title 18 sections §3771 / §3663"** of U.S. Department of Justice Attorney's Office SDNY Southern District of New York Manhattan Federal Court, my accusation of are important for a solution with payment and merit in my requests against financial crimes and error of the Judiciary.

I need receive immediate or up to 30 days the amount of **US\$20,400.00 USD Twenty Thousand and Four Hundred United States Dollars or more in my BANK C6 S.A. Agência 0001 – Conta Corrente 2174802-0 (Chave PIX 091.559.867-14) – Beneficiary Domingos Lugão Petroceli.**

Rio de janeiro, 5 de abril de 2021.


DOMINGOS LUGÃO PETROCELI